

M E M O R A N D U M

May 8, 2008

TO: County Council

FROM: Minna K. Davidson, Legislative Analyst *MKD*
Essie McGuire, Legislative Analyst *McGuire*

SUBJECT: Capital Improvements Program: Cost Sharing: MCG - Old Blair Auditorium, and
MCPS Facility Planning – Sligo Creek Elementary School/Silver Spring
International Middle School (Old Blair) Auditorium

Those expected to attend include:

Stuart Moore, President, Board of Directors, Old Blair Auditorium Project
Joseph Lavorgna, Acting Director, Department of Facilities Management, MCPS
Chuck Short, Special Assistant to the County Executive

The recommended FY09-14 CIP includes references to the Old Blair Auditorium in two PDFs.

- The Executive's recommended County Government's Cost Sharing: MCG project refers to \$190,000 which was programmed in FY06-07 to partially match \$600,000 in State bond bill funding for the renovation of the auditorium (© 1-2). Previously, this project was reviewed by the HHS Committee as an arts and humanities issue.
- The Board of Education's recommended Facility Planning: MCPS PDF says that funding is included for a feasibility study for the renovation of the auditorium at the Sligo Creek Elementary School/Silver Spring International Middle School (©3). This PDF is reviewed by the Education Committee as an MCPS issue.

HHS AND EDUCATION COMMITTEE RECOMMENDATION: Since this project is still in planning, leave the current text about the auditorium in each PDF, but cross reference them as follows:

- For Cost Sharing: MCG, add after the existing text: "MCPS has included funds for a feasibility study for the auditorium in its Facility Planning project (No. 966553). During the study, MCPS will work with the community to develop a new program of requirements for the auditorium."
- For MCPS Facility Planning, add after the existing text: "(Cross reference with Old Blair Auditorium in Cost Sharing: MCG project, No. 720601.)"

The Committees also requested regular reports from the parties as the project planning moves forward.

Background

Cost Sharing: MCG: In 2004, the Old Blair Auditorium Project, Inc. was established as a 501(c)(3) non-profit organization to raise public and private funds to renovate and operate the Old Blair Auditorium as an affordable, 1,200 seat rental auditorium for arts and humanities organizations, businesses, school, and other community groups.

In FY06, the Council approved a total of \$190,000 in the Cost Sharing: MCG PDF to partially match State Bond Bill funding of \$600,000 which was awarded to the Old Blair Auditorium Project for the renovation the auditorium. (The State originally required that the Old Blair Auditorium Project provide evidence of matching funds by June 1, 2007. Last year, the General Assembly extended the deadline to June 1, 2009.)

Of the total County funding, \$50,000 in current revenue was for DPWT to develop a Program of Requirements and cost estimate for the project. The remaining \$140,000 was to be bond funded to pay for part of the construction. The Council did not appropriate the bond funding. The PDF noted that the Council would consider appropriating it after: a) facility planning is complete and the full cost of the project is known; b) the County, MCPS, and the Old Blair Auditorium Project resolve issues about management of the renovation project, operation of the facility, and parking for the facility; and c) the Old Blair Auditorium Project raises the remaining \$410,000 required to match the State funding.

As noted above, the Old Blair Auditorium Project envisioned renovating the facility as a 1,200 seat rental auditorium for use by local arts and humanities organizations and other community groups. DPWT contracted for a renovation cost estimate based on this concept, and, in February 2006, received estimates of \$2.3 million for an option that used existing air handling equipment, and almost \$3 million for an option that replaced the equipment and included certain acoustical improvements.

Considering that the auditorium is owned by MCPS, the two current on-site schools do not have adequate stage space, and that it might be very difficult for the Old Blair Auditorium Project to raise sufficient funds to renovate that auditorium as a rental facility, Councilmember Ervin worked with MCPS and the community to develop a different approach. Under the new model, MCPS would be responsible for a renovation that would include a smaller auditorium and renovation of the remaining space for organizations to provide support services for students or the community, possibly including after school or day care programs.

MCPS Facility Planning: MCPS has included \$25,000 in its Facility Planning PDF for a feasibility study for the auditorium at the Sligo Creek Elementary School/Silver Spring International Middle School. In a memorandum to the Board of Education (©4), Dr. Weast clarified that the feasibility study was intended to determine the cost to modify the Old Blair Auditorium to serve the two on-site schools and to explore how the remaining space could be used. He noted that the feasibility study was not intended to create a community arts space.

Issues for Discussion

The Committees discussed the following issues related to the future direction of the project.

1. Community support for the Old Blair Auditorium Project.

Recently, the Council received 200-300 letters supporting the renovation of the Old Blair Auditorium as a 1,200 seat rental auditorium. In response to a question from the Committees, Old Blair Auditorium Project representatives stated their sense that the community wants the auditorium to be renovated for a use that will benefit the schools and the community, but is not committed to a particular concept for the renovation.

2. MCPS process for conducting the feasibility study.

MCPS staff said that MCPS would take the lead in preparing for and conducting the feasibility study but that they would need some assistance in identifying all of the stakeholders who should be part of the feasibility study process. Mr. Short indicated that the Executive branch will work with MCPS to convene the stakeholder group. Mr. Lavorgna indicated that once a program of requirements is completed, the feasibility planning would take a few months.

The Committees also discussed that options for the use of the space may be limited depending on the eventual scope of work and level of investment in the project. The plans for future use will need to balance the interests of community stakeholders with resources available to alter the space.

This packet contains:

circle #

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Cost Sharing: MCG -- No. 720601

Category Culture and Recreation
 Subcategory Recreation
 Administering Agency M-NCPPC
 Planning Area Countywide

Date Last Modified
 Required Adequate Public Facility
 Relocation Impact
 Status

January 11, 2008
 No
 None.
 On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	882	582	300	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	4	4	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	7,394	0	3,144	4,250	3,550	700	0	0	0	0	0
Total	8,280	586	3,444	4,250	3,550	700	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Short-Term Financing	3,850	0	300	3,550	3,550	0	0	0	0	0	0
Current Revenue: General	2,190	586	1,604	0	0	0	0	0	0	0	0
G.O. Bonds	140	0	140	0	0	0	0	0	0	0	0
Economic Development Fund	2,100	0	1,400	700	0	700	0	0	0	0	0
Total	8,280	586	3,444	4,250	3,550	700	0	0	0	0	0

DESCRIPTION

This project provides funds for the development of non-government projects in conjunction with public agencies or the private sector. County participation leverages private and other public funds for these facilities. Prior to disbursing funds, the relevant County department or agency and the private organization will develop a Memorandum of Understanding which specifies the requirements and responsibilities of each.

COST CHANGE

Increase represent County's contribution to match the State's funding for the music venue in Silver Spring.

JUSTIFICATION

The County has entered into or considered many public-private partnerships, which contribute to the excellence and diversity of facilities serving County residents.

OTHER

For FY09, County participation is anticipated for the following projects in these amounts:

Music venue in Silver Spring: \$3,550,000 (\$150,000 was expended out of the Economic Development Fund in FY07 for a feasibility study for a music venue, and \$300,000 will be expended in FY08, bringing the total County match to the State to \$4,000,000)

or FY10, County participation is anticipated for the following projects in these amounts:

Adventist HealthCare: \$700,000

Funds for the music venue in Silver Spring will not be expended until an agreement is reached between the development partners and the County, which includes Council review and approval of the general business terms. The County will own the facility and will fund its contribution with short-term financing proceeds consistent with the terms of the lease agreement with the operator of the music venue.

The Adventist HealthCare Project provides incentive funding to assist with the construction of a medical office building at 8702 Flower Avenue in the Long Branch community. With the announced departure of Washington Adventist Hospital from Takoma Park, construction of this site underscores the County's commitment to access to health care in the Long Branch area. As a part of a three year commitment, the County is providing \$700,000 in FY07, in FY08 and FY10 for a total of \$2.1 million in current revenue from the Economic Development Fund (EDF). The final \$700,000 payment was originally scheduled for FY09 but was deferred to FY10 due to a delay in the project. EDF funds will not be expended until there is an agreement between Adventist HealthCare, the property owner, and the County Executive which includes specific performance requirements. The requirements should address the length and terms of the lease; public use of the garage, the use of the building for medical-oriented businesses, and other EDF requirements including fiscal analysis and job generation. DED, the property owner, and Adventist HealthCare will keep the Council informed of modifications to the project and the status of litigation.

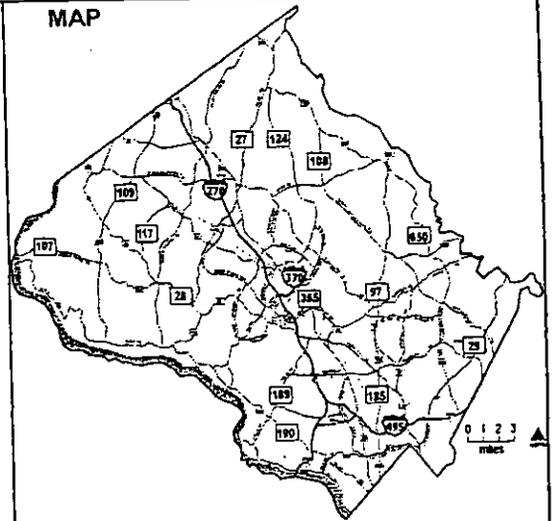
APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY06	(\$000)
First Cost Estimate	FY08	6,280
Current Scope		
Last FY's Cost Estimate		6,280
Appropriation Request	FY09	2,000
Appropriation Request Est.	FY10	700
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		5,440
Expenditures / Encumbrances		1,882
Unencumbered Balance		3,558
Partial Closeout Thru	FY06	0
New Partial Closeout	FY07	0
Total Partial Closeout		0

COORDINATION

Private organizations
 State of Maryland
 Municipalities
 Montgomery County Public Schools
 Community Use of Public Facilities

MAP



Cost Sharing: MCG -- No. 720601 (continued)

The Old Blair Auditorium Project (a private, non-profit organization) received State bond bill funding of \$600,000 for the renovation of the Old Blair High School Auditorium. The County is providing \$190,000 as a partial match for the State funds with \$50,000 in current revenue in FY06-FY07 from DPWT to develop a Program of Requirements and cost estimate for the project, and a programmed FY06-FY07 bond funded expenditure of \$140,000 to pay for part of the construction. The Council will consider appropriating the \$140,000 after: a) facility planning is complete and the full cost of the renovation is known; b) the County, MCPS, and the Old Blair Auditorium Project resolve issues about management of the renovation project, operation of the facility, and parking for the facility; and c) the Old Blair High School Auditorium project raises the remaining \$410,000 required to match the State funding.

OTHER DISCLOSURES

- A pedestrian impact analysis will be performed during design or is in progress.

Facility Planning: MCPS -- No. 966553

Category	Montgomery County Public Schools	Date Last Modified	November 28, 2007
Subcategory	Countywide	Required Adequate Public Facility	No
Administering Agency	MCPS	Relocation Impact	None
Planning Area	Countywide	Status	On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	4,022	1,119	540	2,363	898	540	220	445	260	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	4,022	1,119	540	2,363	898	540	220	445	260	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: Recordation Tax	885	885	0	0	0	0	0	0	0	0	0
Current Revenue: General	3,137	234	540	2,363	898	540	220	445	260	0	0
Total	4,022	1,119	540	2,363	898	540	220	445	260	0	0

DESCRIPTION

The facility planning process provides preliminary programs of requirements (PORs), cost estimates, and budget documentation for selected projects. This project serves as the transition stage from the master plan or conceptual stage to inclusion of a stand-alone project in the CIP. There is a continuing need for the development of accurate cost estimates and an exploration of alternatives for proposed projects. Implementation of the facility planning process results in realistic cost estimates, fewer and less significant cost overruns, fewer project delays, and improved life-cycle costing of projects.

An FY 2005 appropriation was approved to provide for the pre-planning of five school capacity additions, pre-planning of one new elementary school, funding for two needs assessments, and funding to update feasibility studies previously completed, but then shelved due to the delay in school capacity and modernization projects. An FY 2006 appropriation was approved for the pre-planning of one modernization and one addition project and to update feasibility studies previously completed, but shelved due to the delay in school capacity and modernization projects. Also, an amendment to the FY 2005-2010 CIP was approved by the County Council to complete a feasibility study for a new elementary school in the Kennedy Cluster to relieve overcrowding at four elementary schools within the Downcounty Consortium.

An FY 2007 appropriation was approved to provide for the pre-planning of one middle school and one elementary school modernization, the pre-planning for five elementary school additions, a study to determine the location and feasibility of a third middle school in the Watkins Mill Cluster, and an assessment of elementary schools where enrollment does not justify an addition, but lack the program space to provide full-day kindergarten. The FY 2007 appropriation also will provide funds for a study to determine the feasibility of reopening McKenney Hills as an elementary school to relieve overutilization at Oakland Terrace and Woodlin elementary schools and relocating programs currently at that facility to the Mark Twain Center, and will provide funds for a study to determine potential sites and the feasibility of a fifth transportation depot in the county. Finally, the FY 2007 appropriation will provide funding for a feasibility study for Seven Locks Elementary School to determine the scope and cost of the school's modernization scheduled to be completed by December 2011. An FY 2008 appropriation was approved to provide funding for the pre-planning for two school modernizations, four school capacity additions, and to update feasibility studies previously completed, but then shelved due to the delay in modernization projects.

An FY 2009 appropriation is requested to provide funding for the pre-planning for five modernizations, a new middle school and seven school capacity additions, an assessment to determine the next set of schools to be proposed in the restroom renovation project, and a feasibility study for the auditorium at Sligo Creek ES/Silver Spring International MS.

OTHER DISCLOSURES

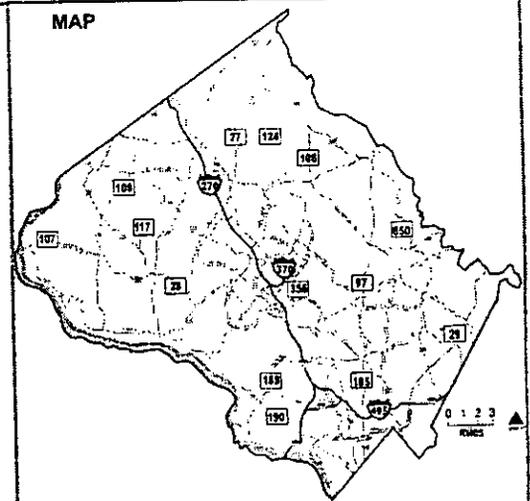
- * Expenditures will continue indefinitely.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY96	(\$000)
First Cost Estimate	FY96	1,736
Current Scope		2,969
Last FY's Cost Estimate		2,969
Appropriation Request	FY09	898
Appropriation Request Est.	FY10	540
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,659
Expenditures / Encumbrances		735
Unencumbered Balance		924
Partial Closeout Thru	FY06	4,891
New Partial Closeout	FY07	0
Total Partial Closeout		4,891

COORDINATION

MAP



Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

January 14, 2008

MEMORANDUM

To: Members of the Board of Education

From: Jerry D. Weast, Superintendent of Schools

Subject: Proposed Feasibility Study for Auditorium at Sligo Creek Elementary School/Silver Spring International Middle School

On January 9, 2008, an article entitled "*Study Could Help Case for Future Blair Auditorium*" was printed in the Gazette. The article stated that the fundraising campaign to reopen the old Montgomery Blair High School auditorium as a community arts space "received a boost recently with a promise from the county public schools to fund a feasibility study for the renovation..."

After reading this article, I felt it was necessary to clarify the intent of the proposed feasibility study for the auditorium at the current Sligo Creek Elementary School/Silver Spring International Middle School site. I also felt it was necessary to address concerns that have been raised regarding where, in the Capital Improvements Program (CIP), the funding for the proposed feasibility study is located.

First, as you know, funding for all feasibility studies is in the Facility Planning Project Description Form (PDF). The Superintendent's FY 2009-2014 CIP Recommendation included \$25,000 to conduct a feasibility study for the auditorium located at Sligo Creek Elementary School/Silver Spring International Middle School. This feasibility study does not fall into the typical school project categories, such as additions or modernizations; and, unfortunately, was not specifically identified in the Superintendent's Recommended CIP publication. I have spoken with my staff and have been assured that all feasibility studies will be identified in future CIP publications.

With respect to the Gazette article, I feel it is necessary to address the statement quoted above. Since both Sligo Creek Elementary School and Silver Spring International Middle School do not currently have a stage similar to those found in most of our elementary and middle school facilities, the feasibility study was recommended to determine the cost to modify the old Montgomery Blair High School auditorium to fulfill this program need. Since the Blair auditorium is larger than what would be necessary at an elementary or middle school, the feasibility study also would explore how the remaining space could be utilized. Creating a community arts space was not the intent of the feasibility study.

I am hopeful that this memorandum clarifies the proposed feasibility study for the auditorium at the current Sligo Creek Elementary School/Silver Spring International Middle School site. Should you have any questions, please contact Mr. Joseph Lavorgna, acting director, Department of Facilities Management at 240-314-1060.

Study could help case for auditorium

by Agnes Jasinski | Staff Writer

The fundraising campaign to reopen the former Montgomery Blair High School auditorium as a community arts space received a boost recently with a promise from the county public schools to fund a feasibility study for the renovation.

The study, estimated to cost between \$25,000 and \$30,000 and included in the schools' recommended budget for fiscal 2009, will kick off a renewed lobbying effort as the project's organizers seek ways to match a \$600,000 state bond bill designated for the project.

The deadline to match the state funding, which was allocated in April 2005, was extended an additional two years earlier last year to give the project's leaders more time to lobby the county and collect private donations.

So far, the organization has raised more than \$60,000 through a "grassroots effort to keep the project going," said Stuart Moore, president of the Old Blair Auditorium Project Inc., the nonprofit heading the renovation effort since 2004.

"The project's not a horribly complicated project. It's been more of a politically involved project," he said.

The County Council appropriated \$190,000 in 2005 for the project, \$50,000 of which was used by the county's Department of Public Works and Transportation to fund a study detailing cost estimates. At that time, the project was estimated to cost between \$3.2 million and \$3.8 million.

According to the project's business plan, expenses for the first fully operational year would require another \$325,000. Since that study, the DPWT has been replaced by the county's public school system as the lead agency on the project, Moore said.

"It is a school building, so it makes sense that MCPS would be the lead entity," he said.

The remaining \$140,000 in County Council funding is still allocated toward the project, but not tied to any particular phase and contingent also on the organization's fundraising capability, Moore said.

The County Council will consider releasing the \$140,000 to go toward construction costs after the county schools' study is complete; the county, MCPS and the Old Blair Auditorium Project come up with a detailed plan about the management and operation of the project; and the nonprofit raises the remaining \$410,000 required to match state funding, according to the county's current Capital Improvements Program budget.

County Councilwoman Valerie Ervin (D-Dist. 5) of Silver Spring said the county public school system's decision to include funding to pay for a study will determine how best to renovate the auditorium into a multi-use space.

“The fact of the matter is, we needed the county’s buy-in on what should be done with that building,” Ervin said. “Now the vision is, let’s make this an after-school space. ... I think we’re getting somewhere.”

The auditorium, located at the former Blair campus on Wayne Avenue, has been closed since 1999, when Blair moved to its new location at Colesville Road and University Boulevard. The auditorium is now part of the Silver Spring International Middle School and Sligo Creek Elementary School campuses.

For nearly 30 years, the space was used to host school assemblies, plays, fundraising events and professional music, theater and dance shows. Today, it is open only for tours once a month.

“It’s to show people what it looks like today, and talk about the potential for the auditorium in the future,” David Ottalini, PTSA co-president at Blair, said of the tours.

“It’s got a lot of potential.”

Moore said the next step is getting the MCPS study started once funding is available in July, after which the nonprofit can again approach the county and state about whether the project is eligible for any additional funding in the next several budget cycles.

“The project itself could happen very fast if all the money was in place,” Moore said.

“We have a whole new set of lobbying to do now.”

To learn more

The old Montgomery Blair High School auditorium is open 2 p.m. to 3 p.m. on the first Friday of each month for tours. Visitors should enter through the Sligo Creek Elementary School side of the building at 313 Wayne Ave. in Silver Spring, and check in at the school office. For more information, visit www.oldblairauditorium.org, e-mail info@oldblairauditorium.org or call 888-OLD-BLAIR.

http://www.gazette.net/stories/010908/silvnew202613_32356.shtml